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RUEHKG/AMEMBASSY KINGSTON 8314  
RUEHPO/AMEMBASSY PARAMARIBO 0888  
RUEHPU/AMEMBASSY PORT AU PRINCE 3347  
RUEHSP/AMEMBASSY PORT OF SPAIN 4511  
RUEHDG/AMEMBASSY SANTO DOMINGO 2627  
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L NASSAU 000442

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FROM THE AMBASSADOR FOR SECRETARY RICE, WHA A/S SHANNON,  
AND WHA/CAR

E.O. 12958: DECL: 03/14/2016

TAGS: [BF](#) [ECON](#) [ETRD](#) [OTRA](#) [PGOV](#) [PREL](#) [SNAR](#) [XL](#)

SUBJECT: SCENESETTER FOR NASSAU CARICOM MINISTERIAL:  
SHAPING A FORWARD-LOOKING AGENDA FOR COOPERATION

REF: 05 NASSAU 2107

Classified By: Ambassador John D. Rood. Reasons: 1.5 (b) and (d)

¶1. (C) SUMMARY: The Secretary's March 21-22 meeting in Nassau with CARICOM foreign ministers offers an opportunity to frame a positive, forward-looking agenda for our relations with the Caribbean. With the Haitian elections behind us, the ministerial will allow us to reinvigorate our cooperation in promoting democracy, enhancing trade and economic competitiveness, and strengthening security and the rule of law. Awareness is growing within the region that old ways -- of governance, protecting economies, and insularity -- can no longer ensure the region's viability, and that a fundamental transformation away from the legacy of state-centered economic development toward a private sector driven model is essential for growth and prosperity. Your meeting should help stimulate this transformation, which will in turn support our efforts to strengthen our Third Border and prevent the flow of drugs, criminals, illegal migrants and terrorists from reaching our shores. The Secretary's bilateral meeting with Bahamian Prime Minister Perry Christie, coming on the heels of the resolution of the Cuban dentist detainees, will allow us to refocus attention on our successful cooperative efforts in counter-narcotics and migrant interdiction, push for progress on the Proliferation Security Initiative, and encourage the government to provide concrete support for the new government in Haiti. END SUMMARY.

Changing the Atmospherics in the Caribbean  
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¶2. (C) In the wake of Haiti's successful elections, the time is ripe to turn the page in our relations with CARICOM, move beyond past differences over Haiti, deportees, and lost trade preferences, and develop a positive, forward-looking agenda. Your meeting in Nassau will allow us to refocus the region on the issues that will determine its success or failure and its viability as a real partner for the U.S. in the years ahead: reinforcing democratic institutions, enhancing economic competitiveness, and countering law enforcement and security threats, including natural disasters. Many Caribbean government and private sector leaders accept the need to embrace long overdue economic and social changes, but they face an uphill battle against entrenched and outdated

bureaucracies; inefficient and often inequitable taxation systems; ineffective educational systems; and a politics that is instinctively cautious and closed.

13. (C) The forward-looking agenda you will bring to Nassau will reinforce our broader goals of building democracy and pursuing transformational diplomacy aimed at making America safer. CARICOM countries bring to the table strong democratic track records, but many countries face threats from criminal elements, loss of traditional economic mainstays, and sluggish and unresponsive government services that erode public trust and confidence. You should use your public events to emphasize the U.S. commitment to work with the region to meet these challenges. We can achieve our twin objectives of supporting democracy and promoting transformation by focusing the region on what is needed to compete, build prosperity, ensure security, and generate opportunity for the people in the region.

14. (C) The Nassau Ministerial will mark the third occasion you have met with CARICOM foreign ministers as a group, following side meetings at the OAS General Assembly in Ft. Lauderdale last June and at the UN General Assembly in September. This sustained attention has helped dispel complaints that the U.S. was inattentive toward its closest neighbors. Countries in the region hope that the Ministerial can serve as spring-board to follow-up actions -- possibly through issue-focused working groups -- with the ultimate goal being to produce enough substantive progress to merit consideration of a heads of state meeting further down the line. As in past meetings, Haiti will loom large in your regional discussions, and your meeting will offer an opportunity to plot a path forward where we can work together to support the Preval government in developing the democratic

institutions and generating economic growth.

U.S.-Bahamas: Reinforcing Successful Partnerships

15. (C) Your bilateral meeting with Bahamian Prime Minister Perry Christie comes on the heels of a drawn out battle over the fate of two Cuban detainees that had provoked Congressional ire in the U.S. and substantial criticism of the government's handling of the issue at home and in the U.S. This issue had diverted attention from the otherwise wide-ranging partnership we enjoy with The Bahamas. Our law enforcement cooperation is perhaps the closest in the region, with U.S. and Bahamian police and military working side-by-side to combat drug trafficking and migrant smuggling. Operation Bahamas Turks and Caicos (OPBAT), a multi-agency, multinational counter-drug operation involving the DEA, U.S. Coast Guard, U.S. Army, and the Bahamian police has reduced the share of U.S.-destined cocaine passing through the Bahamas-Jamaica-Cuba vector from over 70 percent in the early 1980s to under 10 percent today. On migrants, the U.S. Coast Guard and the Bahamian Defense Force combined in 2005 to interdict and repatriate nearly 5000 mainly Haitian illegal migrants.

New Partnerships: Commercial Shipping Security

16. (C) The Bahamas is one of the largest ship-registry countries not yet participating in the Proliferation Security Initiative (PSI). After high-level Embassy pressure, they hosted a first round of talks in November 2005 and tell us they have set up a working group to study our proposal, but little concrete has happened. Underscoring the importance of Bahamian participation in the PSI would help us expedite conclusion of a PSI shipboarding agreement.

17. (C) Likewise, Prime Minister Christie has publicly requested that the Freeport port be included in the Department of Homeland Security's Container Security Initiative, and the Embassy has been working with CBP to move this forward. You may wish to affirm to the Prime Minister our commitment to implementing CSI in Freeport, and inform

him that our CSI team will be visiting The Bahamas March 27-28 to finalize details for the program. Freeport has also been a focus of The Department of Energy's Megaports Program, which will allow us to work with The Bahamas in detecting and interdicting illicit radioactive material in container shipping.

#### New Investment: Liquefied Natural Gas

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18. (C) U.S.-based Applied Energy Services Corporation (AES) has proposed a \$650 million liquefied natural gas project which would link a re-gasification plant on the man-made Ocean Cay near Bimini with South Florida by pipeline. U.S. and Florida regulators have approved the project, but a final decision by the Bahamian Cabinet has been pending for eighteen months despite approval in principal from the previous Bahamian government and approval from the Bahamian environmental assessment committee. Florida Governor Jeb Bush discussed LNG with the Prime Minister when he visited The Bahamas last month, agreeing to set up a meeting between Florida and Bahamian environmental oversight bodies to review the regulatory framework in The Bahamas. The Secretaries of Commerce and Energy have written the Prime Minister on this issue, which has also generated Congressional interest from SFRC Chairman Lugar, seeking government action on the proposal.

#### Hesitant to Lead or Break From CARICOM

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19. (C) Our strong operational cooperation and deep economic ties -- the Bahamian economy depends overwhelmingly on American tourists and trade -- do not translate into support for U.S. foreign policy positions as much as we would expect from a country that shares our fundamental democratic values. The Bahamas has been sensitive to accusations from within

CARICOM that it is too closely tied to the U.S. and has therefore been reluctant to break from the group or lead it in "pro-U.S." directions, even when its interests align closely with ours. For example, while its geographic position and problems arising from Haitian migrants should have given The Bahamas a heightened stake in promoting stability in Haiti, it joined CARICOM in shunning the Interim Government for two years until sending two observers as part of CARICOM's election observation team. No other CARICOM government has more at stake in Haiti, and you should encourage The Bahamas to push CARICOM to quickly reincorporate Haiti and to be more active in promoting stability and development there.

10. (C) Looking beyond Caribbean shores, you should urge The Bahamas to stand up internationally for the values they cherish domestically. Too often, these proud democracies have been reluctant to step forward and speak out against human rights violations elsewhere in the world. CARICOM countries, including The Bahamas, were particularly unhelpful at the UN General Assembly in 2005 where they supported no-action motions on multiple country-specific human rights resolutions, and were part of a narrow majority that blocked consideration of a resolution on Sudan. Overall, CARICOM countries have a poor record in voting coincidence with the U.S. We have made some progress in calling public attention to some of these votes, which has resonated with a public that believes strongly in democratic freedoms and the rule of law. You should urge CARICOM to reconsider its no-action policy and urge The Bahamas and others to better reflect their cherished domestic principles in their international engagement.

#### Comment

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11. (C) Despite recent tensions over the Cuban detainees, The Bahamas, by virtue of its proximity, history, economic ties, and personal connections, is the most American-oriented

country in CARICOM. Its fate is inextricably linked to the tourists -- 90 percent American -- that generate its prosperity. Because of extensive and ongoing personal, professional, and trade connections, Bahamians are open to U.S. views and instinctively look North, even if they do not always agree with us. Prime Minister Christie's Progressive Liberal Party (PLP), has governed The Bahamas for much of the independence era, but Christie faces a formidable challenge in the elections that he must call no later than May 2007. His indecisiveness has become a political liability which the opposition has already begun to exploit. His clumsy handling of the Cuban dentists and continued dithering on the LNG investments have reinforced this perception, so Christie will be eager to show that relations with the U.S. are back on track, but may also want to hint that he is willing to stand up to the U.S. We should emphasize that the United States values and respects our diverse partnerships with the Bahamas and that our common interests can be even better served by deepening our cooperation and working together to advance our values internationally.

112. MINIMIZED CONSIDERED.

ROOD